

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. Identification of Agency and Contracting Activity.

This Justification and Approval (J&A) for Other Than Full and Open Competition is executed by the Acquisition Service- Frederick, Frederick, MD for the Department of Veterans Affairs (DVA), Department of Veterans Health (VHA), Office of Healthcare Transformation (OHT).

2. Nature/Description of Action being Approved.

This activity proposes to negotiate a noncompetitive award (sole source) with Aptive Resources (a Service-Disabled Veteran-Owned Small Business/ Woman Owned Small Business), for the procurement of services to establish a comprehensive VHA transformation focused communications/ campaign plan and a robust interactive website for a period of performance of 12 months from the effective date of award.

3. Description of Supplies/ Services Required to Meet the Agency's Need (including estimated value).

VHA OHT has recognized the need to integrate a robust and comprehensive library of resources for staff and employees that capitalize on the transformation tools supporting VHA's strategic way forward. Further, field staff and employees need to understand their roles and responsibilities in that future. A successful website has been used for a Veteran facing tool with "Make the Connection" and OHT intends to leverage portions of that technology to provide an interactive internal facing tool for staff and employees that will provide essential information for this transformation.

To supplement and ensure that duplicative efforts are avoided, OHT will provide a business case engaging VHA program offices to participate in the website with their own resources and to actively promote their unique contributions to transformation. It is intended to not replace but rather enhance efforts and promote a single universe of communication tools for this important communication effort supporting VHA's strategic way forward.

OHT will ensure alignment with VHA's Offices of Strategic Planning and Communication as well as other program offices to facilitate communication, applicability, and utilization of best practices across the Department.

Although greater than 50% of the estimated cost for this requirement is for the setup and support of an intranet website, this serves primarily as the medium of delivery for the project aspect offering the greatest value as a result of this acquisition, the communications campaign created and implemented to drive the message out to stakeholders VA wide. Activities related to the campaign will include a communications audit, target audience identification, strategic outreach campaign planning, campaign and message development, development of collateral materials, and campaign evaluation/ metrics.

The proposed total contract cost is estimated to be \$994,837.00 based on the following estimates:

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|---|---------------|
| Kickoff, Planning, and Oversight | \$ 27,977.00 |
| Strategic Outreach Campaign Plan | \$ 150,470.00 |
| Campaign Identity/ Campaign Development | \$ 293,540.00 |
| Creating and Support of Online Presence | \$ 522,850.00 |
| | \$ 994,837.00 |

4. Identification of Statutory Authority Permitting Other than Full and Open Competition.

The statutory exception permitting other than full and open competition for this acquisition is 41 USC 253(c)(5), Authorized or Required by Statute as implemented by FAR 6.302-5. The applicable statute is PL 109-461, Veterans First Contracting Program (codified at 38 U.S.C. §§ 8127 and 8128).

A. PL109-461 Section 502(c) states:

SOLE SOURCE CONTRACTS FOR CONTRACTS ABOVE SIMPLIFIED ACQUISITION THRESHOLD. For purposes of meeting the goals under subsection (a), and in accordance with this section, a contracting officer of the Department may award a contract to a small business concern owned and controlled by veterans using procedures other than competitive procedures if:

- (1) Such concern is determined to be a responsible source with respect to performance of such contract opportunity;
- (2) The anticipated award price of the contract (including options) will exceed the simplified acquisition threshold (as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)) but will not exceed \$5,000,000; and
- (3) In the estimation of the contracting officer, the contract award can be made at a fair and reasonable price that offers best value to the United States.

It is anticipated that this procurement will meet all of these conditions.

B. VA PROCUREMENT POLICY MEMORANDUM (PPM) (2013-01) Sole Source Contracting under Title 38, U.S.C. Sections 8127 and 8128, enacted as part of the Veterans Benefits, Health Care and Information Technology Act of 2006 (VAIQ #7247308) provides that CO's may use the sole source procedures up to \$5,000,000, subject to the review and approval of the designated procurement official.

VA PPM (2013-01) additionally provides that specific attention should be given to the requirements outlined in FAR 6.303-2 subparagraphs (b)(5), (b)(6), (b)(7), (b)(8), (b)(10) and (b)(11) to maximize efforts to increase competition and that this justification must include:

- (1) the number of SDVOSBs and VOSBs reviewed;
- (2) an explanation why only one of the firms can accomplish the requirement;
- (3) documentation of the basis of price reasonableness;
- (4) an explanation for finding the sole source procurement is in the best interest of the government; and
- (5) an explanation for selection of the contractor, which will allow the approving official to make a reasonable determination regarding whether a sole source procurement is appropriate.

For this particular acquisition, VHA requires a company with strengths in both strategic communications services and implementing IT solutions as part of communications initiatives, that is situated to propose and begin work by the end of February, 2013 with little to no ramp up time. Given the limited timeframe and the specialized skills required, a sole-source procurement at a fair and reasonable price would offer the greatest benefit to VHA as it rolls out the New Healthcare Delivery Models initiative. VA would gain the socio-economic credit associated with its champion cause, and at the same time, VHA would recognize the benefits of its investments in New Healthcare Models as the VA community becomes aware of the programs. The Contracting Officer's judgment is that the decision to award non-competitively to Active Resources is in the best interest of the Government, providing the required "(4)... explanation for finding the sole source procurement is in the best interest of the government." from VA PPM (2013-01).

5. Demonstration of Contractor's Unique Qualifications or nature of the acquisition requires use of the authority cited.

Aptive Resources, LLC is Center for Veterans Enterprise (CVE) verified Service-Disabled Veteran-Owned Small Business (SDVOSB) whose core business involves Strategic Communications Services: Working with clients to develop strategic communications plans that are based on market research, contain specific marketing and outreach objectives, and include metrics for success; Identifying stakeholders, determining key messages, designing strategies that gain stakeholder buy-in, and developing products and materials that meet communications goals; and Implementing communications tactics and evaluate performance to continually optimize communications campaigns. At the same time, Aptive has demonstrated prowess in utilizing and applying information technology to meet business and communications objectives. Its strengths in both strategic communications services and implementing IT solutions as part of communications initiatives makes it an ideal fit for the services needed by OHT.

Its expertise in performing the services being ordered is bolstered by its previous and current experience provided similar services to VHA and its ability to begin work immediately. The combination of these merits makes Aptive Resources uniquely qualified to meet this pressing need, thus addressing “(2) an explanation why only one of the firms can accomplish the requirement” and “(5) an explanation for selection of the contractor, which will allow the approving official to make a reasonable determination regarding whether a sole source procurement is appropriate” as required in VA PPM (2013-01).

6. Description of efforts made to ensure offers are solicited from as many potential sources as practicable.

According to Class Deviation from the VAAR 819.7007(b), Sole Source Awards to Service-Disabled Veteran-Owned Small Business Concerns, “The Contracting Officer’s determination whether to make a sole source award is a business decision. A sole source justification and approval is required prior to award.”

As this requirement was delayed almost six months and the funding was transferred to the IVA fund, the benefits and effectiveness of VHA’s New Healthcare Delivery Models (NHDM) initiative are not being recognized as there is currently no awareness VA wide of the initiative. In order to recognize the value of the NHDM, a contract needs to be awarded as expeditiously as possible to a contractor capable of starting performance immediately without the customary ramp-up times associated with new contractors. The program office’s market research was driven by this need and the SDVOSB identified has similar prior experience with VHA and has confirmed its ability to start work immediately. Given the above information, the Contracting Officer has made the prudent business decision to meet the need non-competitively within the bounds of PL 109-461 and the allowances of VA PPM (2013-01).

7. Determination of Fair and Reasonable Prices.

No award shall be made until the Contracting Officer determines the costs to the Government to be fair and reasonable. This determination will be based on sources such as comparison of other contracts’ for same or similar services, the contractor’s public price list, GSA price lists, and other market research.

For this particular requirement, the Government has a detailed Independent Government Estimate to serve as a baseline for price reasonableness. At the same time, Aptive Resources is completing similar work for VHA at contract prices that were determined to be fair and reasonable, which can additionally serve as a valid comparison to prices proposed and paid for the now-needed services. A search of FPDS reveals that Aptive Resources has two (2) current contracts with the Agency for International Development providing

marketing related video production services and a \$6.5 million dollar BPA with the Millennium Challenge Corporation (<http://www.mcc.gov>).

Until such time that prices are submitted and evaluated, no specific determination can be made. That being said, the Contract Officer expects that given the above information, the price proposed will be fair and reasonable and that the Government would not pay substantially less given other SDVOSB set-aside competition. In the event that prices proposed are not initially found fair and reasonable, the Contracting Officer will negotiate to prices that are proven fair and reasonable, but in no circumstance award when costs to the Government is excessive. The above information addresses “(3) documentation of the basis of price reasonableness.”

8. Description of Market Survey.

In accordance with FAR Part 10, market research was conducted to determine suitable approaches to acquiring service to establish a Communications Campaign and Online Presence for outreach and awareness of VHA’s new healthcare model and to determine if there are Service-Disabled Veteran-Owned Small Businesses (SDVOSBs)/ Veteran-Owned Small Businesses (VOSBs) that provide work under NAICS 541618, Other Management Consulting Services and Product Service Code (PSC) R426, Support- Professional: Communications, and that meet requirements to provide the needed services with little to no ramp-up time.

In meeting this requirement, the program office performed market research to find SDVOSB concerns that could provide the services and begin work immediately (as the initiative had already been delayed nearly six months). As part of its market research, find SDVOSBs capable of meeting all aspects of the requirement proved challenging. OHT identified three Service-Disabled Veteran-Owned Small Businesses with capabilities to meet some or the entire requirement: TCG Group; Aptive Resources; and Blue 3 Productions. After some investigation, the Program Office concluded that TCG lacked the capabilities to fully meet the requirement and in one instance, its work on one contract was now being completed by the second SDVOSB, Aptive Resources. At the same time, while Blue 3 Productions appeared to have expertise in video production, it lacked the necessary capabilities to develop the full Communications Campaign. Of these three companies, only Aptive Resources showed potential to complete all aspects of the needed services. This narrative addresses “(1) the number of SDVOSBs and VOSBs reviewed” as required in VA PPM (2013-01).

Aptive Resources was contacted on February 12, 2013 to gauge its interest in meeting the requirement. According to Ms. Rachele Cooper, Managing Partner at Aptive Resources, it (Aptive) was excited to propose in response to the requirement and that it had the capabilities and resources to begin work immediately if needed. Ms. Cooper mentioned that Aptive was familiar with VHA and that it had provided services under VHA’s “Make the Connection” initiative.

A search was conducted on VetBiz Vendor Information Pages for “Aptive Resources”, revealing that it in fact was an SDVOSB and was verified by the Center for Veterans Excellence (CVE). Aptive Resources is a small business under NAICS 541618, Other Management Consulting Services and does extensive work under the Product Service Code (PSC) R426, Support- Professional: Communications.

At the time of completing market research, Aptive Resources is registered in SAM, and has no active exclusions and no federal debt. Its Dun & Bradstreet (D&B) Report indicates low financial risk. Aptive Resources is a responsible source with respect to this contracting opportunity. It is registered and verified in VetBiz.gov as a SDVOSB with the NAICS code for this requirement.

9. Other facts supporting the use of other than full and open competition.

Although not used as the basis for approval of this Justification, this requirement was delayed from FY12 and funding has been moved to the 1VA+ fund.

10. Listing of Sources, if Any, That Expressed, in Writing, an interest in the Acquisition

Although no sources expressed written interest in meeting the requirement, the following company expressed verbally an interest in helping VHA meet the need:

Aptive Resource, LLC
2110 Wilkinson Place
Alexandria, VA 22306
703-598-0697

11. Actions Taken to Remove Barriers to Competition.

The potential value of the New Healthcare Delivery Models can only be recognized if the VA community is aware of the advances and steps VA is taking in this arena. The acquisition for services to foster a complete and effective communications campaign is long overdue. It is critical that this contract be awarded to a capable contractor who knows VHA and understands its people and processes. The Government is fortunate to have an SDVOSB in Aptive Resources that meets these requirements. VA anticipates that awarding a one-year contract for Communications Services will allow the NHDMM's value to the organization to be recognized. In consideration of future competition, the Government will not include option periods with this contract.

To remove or overcome barriers to competition before a subsequent acquisition, focus will instead be placed on preparing a requirements package well in advance for the maintenance and enhancement of the new online presence so that GSA or open market SDVOSB set-aside procedures can be used, thus allowing VA to contract with SDVOSBs for future work while obtaining competition to the maximum extent practicable.

CERTIFICATIONS AND APPROVAL OF THIS JUSTIFICATION
FOR OTHER THAN FULL AND OPEN COMPETITION
(VA OHT NEW HEALTHCARE DELIVERY MODELS COMMUNICATIONS SUPPORT)

Technical Representative Certification:

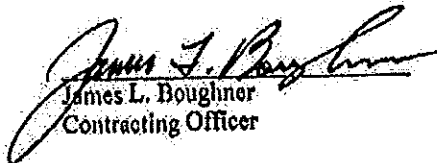
Pursuant to FAR 6.303(c), I certify that any supporting data that is my responsibility and which forms a basis for the justification is complete and accurate to the best of my knowledge and belief.


Carroll Montalva
Technical Representative/ Requirements Person

3/1/2013
Date

Contracting Officer Certification:

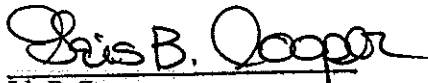
Pursuant to FAR 6.303-2(b) (12), I certify that this justification is accurate and complete to the best of my knowledge and belief.


James L. Boughner
Contracting Officer

3/1/2013
Date

Competition Advocate Approval per FAR 6.304(a)(2)) and VAAR 806.304 :

I have reviewed and provide Approval of this Justification for other than full and open competition.


Iris B. Cooper
Competition Advocate
Executive Director, Office of Acquisition Operations

3/4/13
Date